



STATE BOARD OF EQUALIZATION

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February 25, 1981

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Third District, San Rafael

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Fourth District, Pasadena

KENNETH CORY
Controller, Sacramento

DOUGLAS D. BELL
Executive Secretary

No. 81/32

TO COUNTY ASSESSORS:

SUMMARY OF PROPOSED LEGISLATION NUMBER 3

Following are brief summaries of selected proposed property tax bills and amendments introduced by the Legislature which relate to assessment practices or Revenue and Taxation law.

AB 11

Author: Assemblyman Lockyer

Action: Amended in Assembly

Date: February 11, 1981

Affected Reference: Adds Sections 97.1, 17069.6, 17071.1, 23603, and 24271.1 to the Revenue and Taxation Code - Urgency Statute

This legislation would divert the property tax revenue from the 1978-79 unsecured roll that was collected or is to be collected in excess of the 1978-79 secured roll rates to the State General Fund via school districts for 1982-83 only. All taxpayers paying this increased amount would be entitled to a tax credit on their state income tax up to \$1,000.

AB 36

Author: Assemblyman Young

Action: Amended in Assembly

Date: February 12, 1981

Affected Reference: Various sections of the Revenue and Taxation Code

Existing law imposes or authorizes various taxes and fees. Among these taxes and fees are sale and use taxes, the motor vehicle fuel license tax, the use fuel tax, vehicle license fees, documentary transfer taxes, the gift tax, personal income taxes, cigarette taxes, and alcoholic beverage taxes.

This bill would grant persons 62 years of age or older a credit or refund of all or a portion of these taxes and fees in specified cases.

Under existing law, certain senior citizens are given state funds as assistance for property taxes imposed on their homes. This bill would increase the amount of this assistance.

AB 151

Author: Assemblyman Deddeh

Action: Amended in Assembly

Date: February 10, 1981

Affected Reference: Adds Sections 2237.2, 2237.3, and 2237.4 to the Revenue and Taxation Code - Urgency Statute

Under existing law, local agencies in general are not required to report to any state agency the property tax rate levied by, or on behalf of, the local agency.

This bill would require each local agency, school district, community college district, and county superintendent of schools to annually report to the county auditor for transmittal to the Controller specified information concerning that portion of the ad valorem property tax rate levied by, or on behalf of, the agency which is in excess of the tax rate limitation prescribed by subdivision (a) of Section 1 of Article XIII A of the Constitution. It would require each of those jurisdictions to report to the county auditor for transmittal to the Controller that specified information for fiscal years 1978-79, 1979-80, and 1980-81. It would also require the Controller to compile and publish annually that information.

AB 232

Author: Assemblyman Deddeh

Action: Amended in Assembly

Date: January 29, 1981

Affected Reference: Adds Section 201.1 to the Revenue and Taxation Code - Urgency Statute

Under the California Constitution, real property owned by a local government that is located within its area of jurisdiction is exempted from property taxation.

This bill would deem property owned by a nonprofit entity that is solely owned by a transit development board to be property owned by the transit development board.

AB 288

Author: Assemblyman Deddeh

Action: Amended in Assembly

Date: February 13, 1981

Affected Reference: Amends Section 38905 and adds Section 38303 to the Revenue and Taxation Code - Urgency Statute

This legislation would have the effect of reducing the amount of subvention to local government of the revenues for the Timber Yield Tax for 1980-81 and all future years where the revenues are not sufficient to meet the annual yield tax revenue guarantee plus the administrative costs of both the State Board of Equalization and the Department of Forestry.

AB 375

Author: Assemblyman Wyman

Action: Introduced

Date: January 29, 1981

Affected Reference: Amends Section 73 of the Revenue and Taxation Code -
Urgency Statute

Under existing law, the Legislature may provide that, for purposes of subdivision (a) of Section 2 of Article XIII A of the Constitution, the term "newly constructed" shall not include the construction or addition of any active solar energy system.

This bill would modify current law implementing that exclusion and would specifically define "active solar energy system" for that purpose.

SB 57

Author: Senator Rains

Action: Introduced

Date: December 5, 1980

Affected Reference: Amends Section 1987.4 of the Code of Civil Procedures

Under existing law, effective January 1, 1981, reasonable costs incurred by a business which is not a party nor the place where a cause of action is alleged to have arisen may be charged against the party requesting the issuance of a subpoena for the production of records of the business. Existing law provides that the custodian of the records, upon demand, shall be paid reasonable costs before being required to deliver the records.

This bill would provide that the custodian of the records be paid reasonable costs before being required to deliver the records, and would eliminate the requirement of demand for payment.

SB 223

Author: Senator Marz Garcia, et al.

Action: Introduced

Date: February 5, 1981

Affected Reference: Adds Section 230 to the Revenue and Taxation Code

This bill would grant a partial exemption, in the form of a tax credit to the assessee, for real property subject to a certified local coastal plan or program, as defined. The tax credit would be equal to the amount by which the value of the real property is reduced as the result of any restriction on the development of the real property which results from the certified local coastal plan or program and would be required to be applied in the reduction of property taxes assessed against the real property. The unused portion of the credit would be available for application in reducing property taxes on the property in subsequent assessment years.

SB 223 (Continued)

This bill would provide that the tax credit would not be applicable unless the reduction in the value of the property resulting from the certified local coastal plan or program is at least 20% of the total value and there has been no payment of full compensation to the assessee for the reduction in value by the local government responsible for the formulation of the local coastal plan or program.

SB 226

Author: Senator Richardson

Action: Introduced

Date: February 5, 1981

Affected Reference: Amends Sections 206, 214, 214.4, 251, 254, 254.5, and 255 and adds Section 256 and 256.1 to the Revenue and Taxation Code

This bill would provide that church property used for church school purposes and operated by the church as an integral and inseparable ministry of the church, including property used for preschool purposes, nursery school purposes, kindergarten purposes, school purposes of less than collegiate grade, or for purposes of both schools of collegiate grade and schools less than collegiate grade but excluding property used solely for purposes of schools of collegiate grade, shall be deemed to be used exclusively for religious worship for purposes of that exemption.

SB 227

Author: Senator Sieroty

Action: Introduced

Date: February 5, 1981

Affected Reference: Amends Section 1815 of the Revenue and Taxation Code

Existing law requires the State Board of Equalization to make a survey, not less often than triennially, in each county to determine the total full value of all locally assessable property as of the lien date for the roll which is current when the survey is commenced. As a basis for this determination, the board is required to ascertain the full value of a sample of locally assessable property as specified.

This bill would eliminate the triennial survey requirement and require the board to ascertain the base year and taxable values of those properties.

This is a spot bill that will be revised as details of the monitoring program are approved by the Board.

SB 241

Author: Senator Beverly

Action: Introduced

Date: February 9, 1981

Affected Reference: Various sections of various codes

SB 241 (Continued)

Existing law requires redevelopment agencies to make a preliminary boundary filing with local taxing officials and the State Board of Equalization whenever the creation of a new redevelopment project is contemplated or the boundaries of an existing project area are changed.

This bill would eliminate the filing requirement unless the redevelopment plan of the contemplated or existing project contains a provision for the division of taxes.

Existing law permits the correction of errors of the county assessor resulting in the entry of incorrect values on the assessment roll.

This bill would permit the correction of errors of the assessor resulting in incorrect entries, except those errors involving the exercise of value judgments or escape assessments caused by the assessor's failure to correctly report specified information.

AB 416

Author: Assemblyman Nolan

Action: Introduced

Date: February 4, 1981

Affected Reference: Adds Chapter 12.8 to the Government Code

Existing law provides various incentives for investments in specified types of property such as open space land or historical structures.

This bill would authorize units of local government to designate areas as depressed areas and to apply to the Department of Housing and Community Development to have the area declared to be an enterprise zone. If an area becomes an enterprise zone, then state and local government land could be sold at public auction, business enterprises locating in the zone would not be eligible for any subsidy grant or governmental assistance, except as provided under the bill, departmental rules would supersede state and local regulations in the zone, state and local laws controlling prices, wages, building codes and zoning would be ineffective in the zone, and property taxes would be reduced.

This bill establishes a special program for the assessment of real property in enterprise zones.

ACA 19

Author: Assemblyman McCarthy

Action: Introduced

Date: February 2, 1981

Affected Reference: Amends Section 1 of Article XIII A of the Constitution

This measure would provide an exception from the property tax limitation for interest and redemption charges on indebtedness incurred to finance specified public works of improvement, if approved by 2/3 of the voters voting on the proposition on and after July 1, 1978.

ACA 22

Author: Assemblyman Hannigan, et al.

Action: Introduced

Date: February 4, 1981

Affected Reference: Amends subdivision (a) of Section 1 and subdivision (a) and (b) of Section 2, and adds Section 7 to Article XIII A of the Constitution

This measure would limit the amount of ad valorem taxes which may be imposed on real property used for other than residential or agricultural purposes to 1.35 percent of the full cash value of such property, with a specified annual increase to that maximum amount.

This measure would define "full cash value" of real property used for residential or agricultural purposes to mean the county assessor's valuation of the property as shown on the 1975-76 tax bill under "full cash value" or thereafter, the appraised value, as specified, to reflect 1975-76 full cash values, of such real property newly constructed after the 1975 assessment. It would define "full cash value" of all property not used for residential or agricultural purposes to mean the appraised fair market value of such real property as determined periodically.

ACA 24

Author: Assemblyman Naylor

Action: Introduced

Date: February 5, 1981

Affected Reference: Adds Subdivision (d) to Section 2 of Article XIII A of the Constitution

This measure would provide that for purposes of this constitutional provision, the term "purchased, newly constructed, or a change in ownership" shall not include the acquisition within 12 months of owner-occupied residential real property by a person over the age of 55 as a replacement for the individual's formerly owned and occupied residential real property if the sales price of the former residence exceeds the purchase price of the replacement residence. It would also provide that if the appraised value of the replacement residence when acquired is greater than the full cash value of the individual's former residence as shown on the tax bill immediately preceding its sale, the full cash value of the replacement residence means the full cash value of the individual's former residence as shown on the tax bill immediately preceding its sale.

SCA 12

Author: Senator Speraw, et al.

Action: Introduced

Date: January 27, 1981

Affected Reference: Amends Subdivision (a) and (b) of Section 2 of Article XIII A of the Constitution

February 25, 1981

SCA 12 (Continued)

This measure would define "full cash value" of real property to mean the county assessor's valuation of the real property as shown on the 1975-76 tax bill under "full cash value" or thereafter, the appraised value, as defined, of real property newly constructed after the 1975 assessment, with a permissible increase not to exceed 50 percent of the inflationary rate.

Sincerely,



Verne Walton, Chief
Assessment Standards Division

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Enclosures

Copies of bills may be ordered from:
Legislative Bill Room, State Capitol, Room 1149, Sacramento 95814
